GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3407
ANSWERED ON:26.04.2007
RECONSTITUTION OF BOARD OF DIRECTORS
Sugavanam Shri E.G.

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Union Government has issued any new guidelines regarding the composition of Board of Directors of public sector enterprises;

(b) if so, the details thereof;

(c) whether many of PSUs have not reconstituted the Board of Directors;

(d) if so, the action taken by the Government thereon; and

(e) if not the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) & (b) : No, Sir.

(c) to (e) : The Government issued the guidelines regarding composition of Board of Directors in 1992. The Administrative Ministries/ Departments are expected to appoint requisite number of Functional, Government and non-official Directors on the Boards of Central Public Sector Enterprises (CPSEs) under their administrative control in terms of above-mentioned guidelines.

The Government furthermore issued guidelines in August 2005 indicating the time frame for filling up Board level posts in CPSEs to ensure that the recommendations of Public Enterprises Selection Board be made at least 6 months in advance of the date of occurrence of vacancy and the same are sent to the concerned Ministry/ Department well in time for completing other formalities.

The Administrative Ministries/Departments have been further advised in December 2005 to submit the proposals for selection of non-official Directors for Navratna and Miniratna CPSEs at least six months in advance of the date on which such positions fall vacant.